

# TRANSPORTATION CORPORATION OF AMERICA

TELEPHONES:

P. O. BOX 218 CHICAGO HEIGHTS, ILLINOIS 60411

Chicago Hts. - 757-5900

Date: June 5, 1980

Interstate Commerce Commission  
Recordation Clerk  
Room 1211  
12th & Constitution Ave., N.W.  
Washington, D.C. 20423

11896  
RECORDATION NO. .... Filed 1425  
JUN 11 1980 - 9 32 AM  
INTERSTATE COMMERCE COMMISSION

No. 0-163A024  
Date JUN 11 1980  
Fee \$ 50.00  
ICC Washington, D. C.

Gentlemen:

Enclosed for recordation under the provision of Section 20(c) of the Interstate Commerce Act, as amended, are ~~five~~ <sup>four (4)</sup> copies of the following:

Lease Agreement No. 033180 dated March 31, 1980  
Rider No. \_\_\_\_\_ dated \_\_\_\_\_  
between TRANSPORTATION CORPORATION OF AMERICA and  
MacMillan Bloedel Inc.  
Recordation No. New  
No. of Cars: Twenty (20)  
Description of Cars: Thrall-Door Cars  
Car Numbers: HTCX-319, 321 thru 333, both incl., TCAX 20078 and 20083

The names and address of the parties hereto are as follows:

Lessor:

Transportation Corporation of America  
P. O. Box 218  
Chicago Heights, IL 60411

Lessee:

MacMillan Bloedel Limited  
1075 West Georgia St.  
Vancouver, BC, Canada V6E 3R9

The undersigned is the Vice President-Finance of Transportation Corporation of America and has knowledge of the matters set forth within the enclosed documents. Kindly record and thereafter return to S. D. Christianson, Transportation Corporation of America, P. O. Box 218, Chicago Heights, Illinois 60411, the remaining ~~four~~ <sup>three</sup> copies of the enclosed document, marked "Recorded".

Attached hereto is a remittance in the sum of \$ \*50.00 covering the required Recording Fee.

Cordially,

TRANSPORTATION CORPORATION OF AMERICA

S. D. Christianson  
Vice President - Finance

dk  
Enclosures

RECEIVED  
JUN 9 25 AM '80  
I.C.C.  
OPERATION BR.  
FEE

LEASE AGREEMENT

This AGREEMENT, No. 033180, made and entered into March 31, 1980  
by and between TRANSPORTATION CORPORATION OF AMERICA, an Illinois Corporation,  
Box 218, Chicago Heights, Illinois, (herein called "LESSOR") and

MacMillan Bloedel Inc. Town of Pine Hill, Wilcox County  
an Alabama Corporation, (herein called "LESSEE").

RECORDATION NO. 11896 Filed 1425

JUN 11 1980 - 9 22 AM

WITNESSETH:

INTERSTATE COMMERCE COMMISSION

Description of Leased Cars: (1) LESSOR agrees to furnish to the LESSEE, and the LESSEE agrees to rent from LESSOR the cars specified within Attachment A which is affixed hereto and made a part hereof and such additional Riders as may be added hereto from time to time by agreement of the parties and signed by their duly authorized representatives. Each attachment shall set forth a brief description of the car, or cars, covered thereby including such facts as: number of cars, car numbers, the A.A.R. or I.C.C. specification, cubic capacity, truck capacity, delivery point, rental, commodity service, term throughout which the cars shall remain in LESSEE'S service, and other pertinent information that may be desired by both parties.

Use of Cars: (2) LESSEE agrees to use said cars within the continental limits of the United States and Canada (any use in Canada shall be incidental and temporary) for the transportation of the commodities ("Commodity Service") stated in Attachment A applicable to said cars, and that said cars will at all times be used and operated in compliance with all lawful acts, rules, regulations and orders; and further agrees upon the expiration or termination of the Rental Term ("Rental Term") applicable to such cars set forth in Attachment A to cause said cars to be returned to LESSOR at its plant in Chicago Heights, Illinois, in the same or as good condition in which they were furnished, except for ordinary wear and tear. LESSEE will not in any way alter the physical structure of the cars without the approval in writing of LESSOR.

Rent: (3) LESSEE agrees to pay LESSOR the Fixed Rental ("Fixed Rental") stated in Attachment A from the date each car is delivered as specified in Attachment A and until cars are delivered to LESSOR upon expiration of the Rental Term specified in Attachment A. Such rentals shall be paid to TRANSPORTATION CORPORATION OF AMERICA, Box 218, Chicago Heights, Illinois, or such other place as the LESSOR or its Assignees may hereafter direct. Payment will be made in advance on the first day of every month during the term, except that LESSEE shall pay in advance, on delivery of the cars, the pro rata of one month's rent for the period intervening the date of delivery and the first day of the next succeeding month. As additional rent the LESSOR shall retain all the Mileage Earned in Excess of Fixed Rental as specified within Paragraph 7(b) hereof.

Term of Lease: (4) This AGREEMENT shall be effective as of the date first set forth hereinabove and shall expire upon expiration of the Rental Term of the last car, or cars, covered hereunder. The Rental Term for each car shall be as specified within Attachment A.

Repair and Maintenance: (5) (a) LESSEE shall notify LESSOR within three (3) full business days following knowledge of any damage to any of the cars. LESSOR agrees to pay for the maintenance and repair of said cars; but it will not pay for repairs made to said cars in excess of the basis of Association of American Railroads interchange rules (unless LESSOR gives LESSEE prior written approval for any such excess repairs). No repairs to any of the cars shall be made by the LESSEE for LESSOR'S account without LESSOR'S prior written consent. If any of the cars become unfit for service and shall be held in railroad or car shops for repairs, and shall remain therein for a period in excess of five (5) days, service charges hereunder covering any such cars payable by LESSEE to LESSOR shall cease from and after the date of delivery of such car to such railroad or car shop for repairs until such car is released from the shop or until another car shall have been placed in the service of LESSEE by LESSOR in substitution for such car undergoing repairs.

substantially *own JAA own JAA*

In the event any of the subject cars shall be damaged or destroyed by the railroad, the service charge on any such car shall cease on the date of such damage or destruction. When such damaged car has been forwarded to a shop for repair, the mileage earned by such car to and from the shop shall be retained by the LESSOR. LESSEE shall pay all costs charges and expenses including freight and switching charges for movement at any time and from time to time to and from repair shops, storage or terminal facilities.

(b) LESSOR shall keep the cars in good order and repair, ordinary wear and tear excepted, comply with any additional requirements for safety appliances and construction as may hereafter be specified by American Association of Railroads and Interstate Commerce Commission and satisfactory for interchange in accordance with Association of American Railroads' rules, and all at its own cost and expense. LESSOR is not responsible to make any repairs until and unless notified by the LESSEE that such repair work is needed. LESSEE shall, at its expense, replace any removable parts, if lost, stolen or broken. If any physical change to the cars shall be required by any association or governmental rule, regulation or law, the LESSEE shall pay an additional monthly charge equal to \$1.50 per Car per month for each \$100.00 per Car cost incurred by the LESSOR so as to perform such changes, modifications or adjustments and such charge shall become effective upon the date of acceptance by a railroad of instructions to forward such Car to the LESSEE after such change modification or adjustment has been accomplished.

(c) LESSOR may require LESSEE to return cars for preventive maintenance or repairs and may withdraw from this Lease any cars which LESSOR deems uneconomical to maintain or repair.

(d) LESSOR may, at any time and from time to time, replace any cars withdrawn from service under the terms of this Lease or which are lost, stolen or destroyed, with cars of like or similar specifications and such replacement cars shall be deemed to be subject to all terms and conditions of this Lease as if the same had been originally delivered to LESSEE at the time and at the place of the cars for which they are substituted. The parties agree to execute amendments to this Lease and such other and further documents as may be required by either party hereto so as to evidence the withdrawal, release or substitution of any cars in accordance with the terms of this Lease Agreement.

(e) In the event of the loss, destruction or irreparable damage to any of the cars from any cause whatsoever, except while in possession of LESSOR, during the continuance of this lease, the LESSEE shall promptly and fully inform the LESSOR in regard to such loss, destruction or damage. If any of said cars are damaged or destroyed on any privately owned track, LESSEE shall pay unto LESSOR the cost of repairing such damage, or replacing such lost or destroyed cars. In no case shall that amount exceed the depreciated valuation of such cars as provided for in the Interchange Rules of the Association of American Railroads.

Inspection:

~~(6) LESSEE shall maintain a reasonable inspection schedule for each car. LESSEE shall indemnify and hold LESSOR harmless from any and all liability, loss, damage or claim therefor resulting from knowledge which the LESSEE shall have or should have had as a result of such reasonable inspection by the LESSEE.~~ *own JAA*

Mileage and Per  
Diem Reports:

(7) (a) The LESSOR shall collect and retain all mileage earned by said cars and credit same to the extent of rental to the account of the LESSEE when received from the railroads, and also the LESSOR shall keep all records pertaining to car movements. The LESSEE shall assist the LESSOR in following the movements of said cars by furnishing the LESSOR complete <sup>monthly</sup> reports of the movements of cars; both loaded and empty, giving destination, date of loading, and the routing of each movement. The LESSEE agrees so to use said cars that the mileage under load shall be equal to the mileage empty on each railroad over which they move. If, at the end of the Lease Term, the empty mileage on any railroad exceeds the loaded mileage, the LESSEE shall immediately upon being billed by the LESSOR, pay to the LESSOR for such excess at the loaded mileage rate. For purposes of this paragraph, the railroad mileage and junction reports received by LESSOR shall be prima facie evidence of the facts reported therein.

(b) LESSOR shall retain all mileage earned in excess of monthly rental due from LESSEE ( Mileage Earned in Excess of Fixed Rental ) LESSEE shall not permit any car to be used in unit train service unless consented to in writing by LESSOR

Payment of  
Taxes:

(8) During the term of this Agreement the LESSOR will be responsible to pay all sales, use and personal property taxes on the cars leased hereunder. The LESSEE shall, in addition to the rentals hereunder specified, pay all taxes or governmental charges based upon, assessed against or levied upon LESSEE'S interest as LESSEE of the cars.

Marking of  
Cars

(9) (a) The LESSOR shall plainly, permanently stencil the ownership legend on each new car in letters not less than one (1) inch in height, reading:

TITLE TO THIS CAR SUBJECT TO DOCUMENTS FILED WITH  
THE INTERSTATE COMMERCE COMMISSION

and immediately replace any such stencilling which becomes illegible, wholly or in part. Should changes or additions be required in the foregoing legend, LESSEE shall make such changes or additions, and the expense thereof shall be borne by the LESSOR. The LESSEE shall keep the cars free from any marking which might be interpreted as a claim of ownership thereof by anyone other than the LESSOR; and will not change, or permit to be changed, the identifying road numbers.

(b) LESSEE represents and warrants that subject cars are now and shall remain throughout the term of this lease marked and identified in accordance with the car numbers and other identification marks provided for within Attachment A.

Indemnification:

(10) Except while cars are in the possession of LESSOR, LESSEE will indemnify and hold LESSOR and all those who hold any security interest in a car harmless against all loss, expense, liability or damage during the term of this Lease Agreement by or to any of the cars hereby leased, or to or by the contents thereof. However, this indemnity shall only apply in respect of negligent acts or omissions of Lessee or its affiliated companies.

Insurance:

(11) LESSEE shall, at its own cost and expense, with respect to each Car at all times maintain and furnish LESSOR with evidence of liability insurance in the amount of one million dollars (\$1,000,000) protecting LESSOR, naming LESSOR as an insured party, and written by companies acceptable to LESSOR. LESSEE'S obligation to maintain insurance with respect to each Car shall commence on the earlier of (i) the Delivery date of such Car or (ii) the date on which the manufacturer or vendor thereof shall cease to bear the risk of loss with respect thereto (whether or not such Car shall at such time have become subject to lease pursuant hereto), and shall continue until the Rental Term thereof terminates and, if such Car is required to be returned to LESSOR, until such return. LESSEE shall co-operate and, to the extent possible, cause others to cooperate with LESSOR and all companies providing any insurance to LESSEE or LESSOR or both with respect to the Cars.

Subleasing and  
Assignment:

(12) (a) LESSEE will not sublease, assign or loan said cars or any of its rights without written consent of the LESSOR, but such consent shall not be unreasonably withheld.

(b) LESSOR may assign, pledge, mortgage, transfer or otherwise dispose of all of its rights, titles and interests herein, either in whole or in part ("ASSIGNMENT"). No notice of such assignment need be given to the LESSEE. The rights of any assignee specified in any such ASSIGNMENT or the rights of any party or parties on behalf of whom such assignee is acting, shall not be subject to any defense, setoff, (except mileage paid to assignee), counterclaim or recoupment whatsoever, whether arising out of any breach of any obligation of the LESSOR hereunder or by reason of any other indebtedness or liability of any time owing by the LESSOR to the LESSEE. The making of any ASSIGNMENT by LESSOR shall not serve to relieve the LESSOR or the LESSEE of any liability or undertaking hereunder nor pose any

Liens:

(13) The LESSEE shall keep the cars free from any encumbrances or liens which may be a cloud, or otherwise affect, the LESSOR'S title or the interest of the assignee of the LESSOR.

Remedies:

(14) Upon the happening of any of the events of default as hereinafter defined and upon giving the LESSEE 5 days written notice the LESSOR or its Assignee may then, or at any time thereafter, take possession of the cars and any accessions thereto, wherever same may be found and, at the election of the LESSOR or the Assignee as the case may be, either:

(a) declare this Lease Agreement terminated, in which event all rights of the parties hereunder shall cease except only the obligation of the LESSEE to pay accrued rentals to the date of retaking, or:

(b) relet the cars as agent of the LESSEE, apply the proceeds of such reletting first to the expenses that may be incurred in the retaking and delivery of the cars to the new LESSEE, then to the payment of the rent due under this lease, and the LESSEE shall remain liable for any rents remaining due after so applying the proceeds so realized, and the LESSEE covenants and agrees to pay said deficit monthly as the same may accrue.

Default:

(15) The happening of any of the following events shall be considered an "event of default" hereunder:

(a) nonpayment of any installment of rent hereunder within thirty (30) days after the same becomes due:

(b) failure of the LESSEE to comply with, or perform, any of the other terms and conditions of this Lease Agreement within thirty (30) days after receipt of written notice from the LESSOR, or its Assignee, demanding compliance therewith and performance thereof:

(c) The appointment of a receiver or trustee in bankruptcy for the LESSEE or for any of its property and the failure by such receiver or trustee to adopt and assume and agree to perform the obligations of the LESSEE hereunder within thirty (30) days after such appointment.

Patent Indemnification:

(16) LESSOR shall (except for articles or materials specified by LESSEE and also except for designs and systems used in the construction of subject cars as a result of LESSEE'S specifications) indemnify, protect and save harmless the LESSEE from all claims, demands, damages, including royalties, judgments (including court costs), attorneys fees, and expense in any way arising out of, or on account of, the use of any or all patented inventions, employed in and about the construction, repair, alterations, or improvements of the cars, or any part thereof, which are incorporated in any car at the inception of this Lease Agreement or Riders added hereto.

Filing:

(17) The LESSOR intends to cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with the Interstate Commerce Commission Act. The LESSEE shall from time to time do and perform any other act, and execute, acknowledge, deliver, file, register and record any and all further instruments required by law, requested by LESSOR, for the purpose of protecting its title and rights, or for the purpose of carrying out the intention of this Lease Agreement, and the LESSEE will promptly furnish to LESSOR certificates or other evidences of all such filing registering and recording in form satisfactory to LESSOR. The LESSOR shall promptly reimburse LESSEE for any out-of-pocket expenses it may so incur.

Miscellaneous:

(18) It is mutually agreed that the time of payment of rentals is of the essence of this Lease Agreement and that this Lease Agreement and any Rider now and hereafter entered into is subject and subordinate to any Chattel Mortgage or Conditional Sale Agreement on the cars heretofore created and to the rights of any Trustee under any Equipment Trust heretofore or hereafter established by the LESSOR.

(19) LESSOR may, at its own cost and expense, take a physical inventory of each of the cars.

(20) The terms of this Lease Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois, in which state it has been executed and delivered.

(21) LESSEE shall, at LESSEE'S cost, deliver to LESSOR such other acknowledgements, opinions of counsel, confirmations of lease and related documents as the LESSOR may reasonably request.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers and duly attested, as to the date first above written.

(Corporate Seal)

TRANSPORTATION CORPORATION OF AMERICA (LESSOR)

ATTEST:

By: 

Vice President

  
Assistant Secretary

(Corporate Seal)

MacMillan Bloedel Inc. (LESSEE)

ATTEST:

By: 

DIRECTOR

Vice President

  
Secretary

  
DIRECTOR

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF COOK )

On this 17<sup>th</sup> day of April 80, before me personally appeared Ch. Wright, to me personally known who being by me duly sworn, says that he is a ~~Vice~~ President of TRANSPORTATION CORPORATION OF AMERICA, an Illinois corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Denna L. Huey*  
Notary Public

(SEAL)

My Commission Expires: 1-11-80

STATE OF )  
 ) SS.  
COUNTY OF )

On this \_\_\_\_\_ day of \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known who being by me duly sworn, says that he is \_\_\_\_\_ of MacMillan Bloedel Inc., an \_\_\_\_\_ corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission Expires: \_\_\_\_\_

TRANSPORTATION CORPORATION OF AMERICA — LESSOR

MAC MILLAN BLOEDEL INC.

— LESSEE

ATTACHMENT A

LEASE AGREEMENT NO. 033180 SAID LEASE AGREEMENT BEING DATED March 31, 1980

CAR NUMBERS:

CAR OWNER'S MARKS:

Title to this car subject to documents filed with the Interstate Commerce Commission.

COMMODITY SERVICE:

Forest Products

CLASS OF CAR:

Thrall-Door Car (AAR-LU)

NO. OF CARS:

~~forty (40)~~ **Twenty (20)**

TRUCK CAPACITY:

70-Ton

RENTAL TERM:

Sixty (60) Months

DELIVERY POINT:

Chicago Heights, Illinois

DELIVERY PERIOD:

Mid Year, 1980

FIXED RENTAL:

Four Hundred Thirty-Five and 00/100 Dollars (\$435.00)  
per car, per month for sixty (60) consecutive months  
from date of delivery.

CERTIFICATE OF INSPECTION  
AND ACCEPTANCE:

Exhibit "I": attached hereto and made a part hereof.



**CERTIFICATE OF INSPECTION AND ACCEPTANCE**

TO:       THRALL CAR MANUFACTURING COMPANY  
          P. O. Box 218  
          Chicago Heights, Illinois 60411

Gentlemen:

The undersigned duly appointed inspector and representative of  
Mac Millan Bloedel Inc. (LESSEE)  
hereby certifies that he has made a thorough examination of the following Railroad Cars  
bearing numbers as follows:

<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>CAR NUMBERS</u>
<u>Twenty (20)</u> <del>Forty (40)</del>	70-Ton Thrall-Door Cars	

and hereby accepts them for Lessee under and pursuant to that certain Attachment A  
dated March 31, 1980 for Lease dated March 31, 1980 between TRANSPORTATION  
CORPORATION OF AMERICA and LESSEE: that each of said Cars is plainly marked and  
stenciled on both sides of each Car with the words:

Title to this car subject to documents filed with  
the Interstate Commerce Commission.

in readily visible letters, not less than 1" in height; and that each of said Cars fully  
complies with the requirements, standards and specifications referred to in said Lease.

\_\_\_\_\_  
Inspector for  
MacMillan Bloedel Inc.  
**LESSEE**

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

**EXHIBIT "I"**